

**Congress of the United States**  
**House of Representatives**

**Washington, DC 20515**

June 22, 2007

The Honorable Charles Rangel  
Chairman  
House Ways & Means Committee

The Honorable Jim McCrery  
Ranking Member  
House Ways & Means Committee

The Honorable Sander Levin  
Chairman  
House Ways & Means Committee  
Subcommittee on Trade

The Honorable Wally Herger  
Ranking Member  
House Ways & Means Committee  
Subcommittee on Trade

Dear Colleagues:

We write to express our strong opposition to any extension of the Andean Trade Preferences Act (ATPA) that continues unilateral duty-free access to the U.S. market for Peruvian asparagus. We represent two of the largest asparagus production areas in the U.S.

As you know, the Andean Trade Preferences Act is not a trade agreement – it is an extension of our nation's anti-narcotics policy. Duty free access to the U.S. market for a wide range of Peruvian products was originally offered in the hopes that it would stimulate the development of alternatives to coca production. One of the Peruvian products that have benefited most from this arrangement is asparagus, which grows in the sandy coastal areas of Peru – not the mountain highlands where coca is produced.

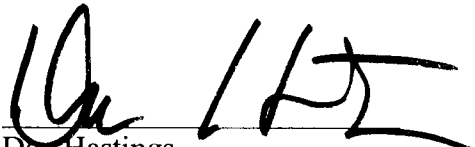
A recent International Trade Commission report found that asparagus was the domestic commodity most negatively affected by ATPA. Unlike other products, American asparagus was not provided a transition period before tariffs on Peruvian imports were unilaterally eliminated. Since the implementation of the Andean Trade Preferences Act in 1991, imports of fresh Peruvian asparagus have increased from 2,800 metric tons to over 55,631 metric tons. Similarly, imports of frozen asparagus have increased from 175 metric tons in 1991 to over 4,000 metric tons in recent years. These duty-free imports have injured US asparagus growers and decimated much of the domestic asparagus processing capacity. In fact, facing a flood of inexpensive Peruvian imports, many asparagus processors closed their U.S. operations and relocated to Peru. The shrinking domestic asparagus processing sector has forced U.S. asparagus growers to sell on the fresh market in direct competition with cheap Peruvian imports.

During the negotiations over the proposed Peru Free Trade Agreement, we repeatedly asked the U.S. Trade Representative to support reasonable measures that would enable the domestic asparagus industry to adjust to the recent flood of Peruvian asparagus. In particular, we suggested that the standard Most Favored Nation rate tariff be applied during the domestic asparagus harvest period and when Peruvian processed asparagus exceeded historic import levels. This measure of protection could be structured to be phased out over time – as is done for almost all other sensitive domestic industries in trade negotiations. We were disappointed that the Administration chose not to address this issue in its agreement with Peru.

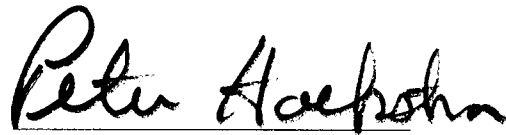
As Congress considers another extension of ATPA, and possibly a Peru Free Trade Agreement that would perpetuate this flawed policy, we remain deeply concerned about this issue. Unilateral deals like ATPA only undermine agricultural support for fair trade liberalization agreements. It is extremely difficult to advocate for bilateral trade agreements when our growers' interests have been so blatantly traded away for wholly unrelated policy goals. The current arrangement between the U.S. and Peru is not based in fair trade, and we would argue that it should not be extended without first mitigating for the devastating impact of ATPA on the American asparagus industry.

We have enclosed a suggested amendment to the Andean Trade Preferences Act which would resolve our concerns about extending ATPA. We thank you for your consideration of our concerns and we look forward to the opportunity to work with you to resolve this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Doc Hastings", written over a horizontal line.

Doc Hastings  
Member of Congress

A handwritten signature in black ink, appearing to read "Pete Hoekstra", written over a horizontal line.

Pete Hoekstra  
Member of Congress

Enclosure

**AMENDMENT TO H.R. \_\_\_\_\_**  
**OFFERED BY MR. HASTINGS OF WASHINGTON**

Insert in the appropriate place the following:

**SEC. \_\_\_\_ . SPECIAL RULES FOR ASPARAGUS.**

Section 204(b)(2) of the Andean Trade Preference Act (19 U.S.C. 3202(b)) is amended—

(1) in the heading, by striking “EXCLUSIONS” and inserting “EXCLUSIONS AND SPECIAL RULES”;

(2) by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively;

(3) by striking “Subject to paragraph (3), duty free treatment under this title may not be extended to—” and inserting the following:

“(A) GENERAL EXCLUSIONS.—Subject to paragraph (3), duty-free treatment under this title may not be extended to—”; and

(4) by adding at the end the following new subparagraph:

“(B) SPECIAL RULES FOR ASPARAGUS.—

“(i) FRESH ASPARAGUS.—Duty-free treatment under this title may not be extended to fresh asparagus that is the product of Peru and is entered during the period beginning on April 1 and ending on July 31 of each calendar year.

“(ii) FROZEN ASPARAGUS.—The maximum quantity of frozen asparagus that is the product of Peru and to which duty-free treatment may be extended under this title during a calendar year is an amount equal to the aggregate quantity of frozen asparagus that was the product of Peru and was entered during calendar year 1990.

“(iii) CANNED ASPARAGUS.— The maximum quantity of canned asparagus that is the product of Peru and to which duty-free treatment may be extended under this title during a calendar year is an amount equal to the aggregate quantity of canned asparagus that was the product of Peru and was entered during calendar year 1990.”.